

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-84-C - ORDER NO. 2005-441
AUGUST 25, 2005

IN RE: Application of Horry Telephone Long Distance, Inc. ("HTLD") for Elimination of Distance Sensitive Elements for HTLD Rates and Introducing a New Flat Rate Offering to Residential Customers.) ORDER GRANTING) MOTION FOR) EXPEDITED REVIEW) AND APPLICATION FOR) ELIMINATION OF) DISTANCE SENSITIVE) ELEMENTS AND) APPROVAL OF A FLAT) RATE OFFERING FOR) RESIDENTIAL) CUSTOMERS
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This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of Horry Telephone Long Distance, Inc. ("HTLD" or "the Company") requesting expedited review of its Application for elimination of distance sensitive elements for HTLD's rates and approval of a new flat rate offering to residential customers.

HTLD is already authorized to provide intrastate interexchange telecommunications services within the State of South Carolina. By this Application, the Company plans to revise its current S.C. Tariff No. 1 filing to eliminate distance sensitive elements associated with HTLD rates and to offer a new flat rate to its residential customers.

The Commission's Docketing Department instructed HTLD to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected area. The Company complied with this instruction and provided the Commission with proof of publication of the Notice of Filing in the *Sun News* on June 22, 2005.

On July 6, 2005, the Office of Regulatory Staff ("ORS") filed with the Commission a letter explaining that approximately 97% of HTLD's customers would benefit from the proposed tariff changes. On July 21, 2005, HTLD filed with the Commission a Motion for Expedited Review. Along with the Motion, HTLD filed the verified testimony of Mr. Bill Rabon.

FINDINGS OF FACT

1. HTLD is a subsidiary of Horry Telephone Cooperative, Inc. and is headquartered in Conway, South Carolina.
2. HTLD is authorized to operate as a provider of intrastate long distance telecommunications by this Commission and has filed revisions to its S.C. Tariff No. 1 to moderate intrastate distance rates for both residential and business customers.
3. The Commission finds that the requested adjustments to HTLD's S.C. Tariff No. 1 simplifies the long distance pricing structure by eliminating the rate variation between the initial and subsequent minutes of use and reduces the number of rate periods from three to two.
4. The proposed tariff adjustments with regard to long distance rates for HTLD's business customers are alternatively regulated. These rates were thus presumed

valid when filed by the Company and have already gone into effect. The rates before the Commission in this action relate to HTLD's residential customers.

5. The Commission finds that approximately 97% of HTLD's residential customers will be positively impacted by the revised tariff and will receive a cost savings as a result of the new simplified pricing. Further, the new rate structure will be easier for the Company to administer.

6. Under the new tariff, HTLD's residential customers will be billed at \$.25 per minute for calls made during business hours (Monday to Friday from 8:00 am to 5:00 pm) and \$.15 per minute at all other times. All night/weekend rates have been combined into this single rate period for sake of simplicity. Only a small percentage (approximately 3%) of HTLD's customers will be adversely affected by this change.

7. By HTLD's Motion for Expedited Review, the Applicant has waived its right to be heard under S. C. Code Ann. Sec. 58-9-280.

CONCLUSIONS OF LAW

1. The Commission concludes that the proposed tariff adjustment to HTLD's S.C. Tariff No. 1 is in the best interest of the public and the Company.

2. The Commission concludes that HTLD will provide services that will meet the service standards of the Commission.

3. The Commission concludes that the adjustment to HTLD's tariff will not adversely impact the public interest.

4. Based on the above findings of fact, the Commission determines that the requested changes to HTLD's S.C. Tariff No. 1 should be granted to HTLD to allow it to

provide telecommunications at competitive rates. The terms and conditions proposed by HTLD to its S.C. Tariff No. 1 and submitted to this Commission with HTLD's filing in this matter on March 4, 2005, are hereby approved, and adopted as a part of this Order. IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

1. HTLD's Motion for Expedited Review is granted on the basis of the facts as stated in this Order and on the basis that HTLD has previously been found fit to provide telecommunications services in South Carolina, and the instant Application seeks merely to revise HTLD's tariff to provide that service.

2. HTLD is authorized to eliminate the distance sensitive elements of its rates and to offer a new flat rate offering to its residential customers. The specific changes to HTLD's S.C. Tariff No. 1 to authorize these changes are specified in the Company's filing in this matter and are hereby approved by the Commission.

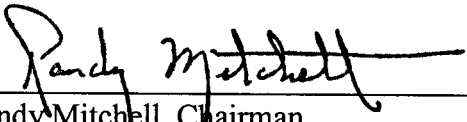
3. HTLD shall comply with the additional conditions, requirements, and limitations previously imposed by this Commission in granting HTLD authority to provide telecommunications services in South Carolina.

AUGUST 25, 2005

PAGE 5

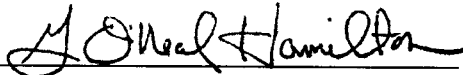
4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice Chairman

(SEAL)